



Farm input subsidy programmes (FISPs) aim to reduce the production costs of small-scale or subsistence farmers. The reasons for FISPs, as stated in government policies, include to:

- ▶ increase the incomes of poor people;
- ▶ decrease food prices;
- ▶ increase food security;
- ▶ promote the use of Green Revolution inputs;
- ▶ boost the welfare of farmers;
- ▶ improve soil fertility; and
- ▶ provide economic benefits for farmers.

Subsidies target specific groups of people, referred to as 'beneficiaries.'

If farmer A gives farmer B a packet of seeds, farmer B has received a benefit – so farmer B is a beneficiary.

What are the aims of FISPs?

Usually, the people who receive FISP packages (the beneficiaries) are subsistence farmers.

FISPs cost between 100 million and 160 million US dollars per year. Usually, this money comes from national governments and development funds.